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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS, *et. al.*¹,

Debtors.

Chapter 11

Case No. 18-23538 (RDD)

Jointly Administered

Hearing Date: February 4, 2019, 10:00 a.m. ET
Objection Deadline: February 11, 2019, 4:00 p.m. ET

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovate Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

**SUPPLEMENTAL RESPONSE OF EVERLAST WORLD'S BOXING
HEADQUARTERS CORP. TO THE DEBTORS' CURE COSTS WITH RESPECT TO
POTENTIAL ASSUMPTION AND ASSIGNMENT OF TRADEMARK LICENSE
AGREEMENT AND RESERVATION OF RIGHTS IN CONNECTION WITH GLOBAL
SALE TRANSACTION**

Everlast World's Boxing Headquarters Corp. ("Everlast" or "Licensor"), by and through its undersigned counsel, hereby submits this supplemental (i) response to the cure amount proposed in connection with the potential assumption and assignment of the Trademark License Agreement between Everlast and debtors Sears, Roebuck, and Co. and Kmart Corporation (collectively, "Debtors" or "Licensees"), as listed in (a) the *Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with the Global Sale Transaction* [Docket No. 1731] (the "Assumption and Assignment Notice"), and (b) the *Second Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with the Global Sale Transaction* [Docket No. 2314] (the "Second Supplemental Assumption and Assignment Notice"), and (ii) reservation of rights with respect to the pending sale of assets to Transform Holdco LLC ("Buyer"). In support of this supplemental limited objection and reservation of rights, Everlast states as follows:

1. On August 10, 2010, Everlast as licensor and Debtors as licensees entered into that certain Trademark License Agreement (as amended by a First Amendment thereto dated October 8, 2013 and a Second Supplemental Deed of Amendment thereto dated November 11, 2015, the "License Agreement"). On January 18, 2019, the debtors filed and served the Assumption and Assignment Notice. In the Assumption and Assignment Notice, the debtors listed only the Second Supplemental Deed of Amendment with respect to the License Agreement (they did not list the Trademark License Agreement or the First Amendment).

2. On January 25, 2019, Everlast filed that certain Response of Everlast World's Boxing Headquarters Corp. to the Debtors' Cure Costs With Respect to Potential Assumption and Assignment of Trademark License Agreement and Reservation of Rights in Connection With Global Sale Transaction (the "Initial Cure Costs Response") [Docket No. 1980].

3. On January 31, 2019, the debtors filed and served the Second Supplemental Assumption and Assignment Notice. In the Second Supplemental Assumption and Assignment Notice, the debtors listed the Trademark License Agreement, the First Amendment and an Address Change Notice. In an abundance of caution, Everlast submits this supplemental response making the same arguments, reserving the same rights, and submitting the same evidence Everlast made, reserved and submitted in the Initial Cure Costs Response. Everlast incorporates by reference herein the Initial Cure Costs Response with respect to the entire License Agreement.

Dated: February 1, 2019
New York, New York

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Counsel for Everlast World's Boxing Headquarters Corp.

CERTIFICATE OF SERVICE

I certify that on February 2, 2019, this office caused the following document:

SUPPLEMENTAL RESPONSE OF EVERLAST WORLD'S BOXING HEADQUARTERS CORP. TO THE DEBTORS' CURE COSTS WITH RESPECT TO POTENTIAL ASSUMPTION AND ASSIGNMENT OF TRADEMARK LICENSE AGREEMENT AND RESERVATION OF RIGHTS IN CONNECTION WITH GLOBAL SALE TRANSACTION

To be served upon all the parties via the Court's CM/ECF filing system. I additionally caused the document to be served upon the parties listed on Exhibit A via email.

/s/ Shadi Farzan
Shadi Farzan

Exhibit A

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